

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3693-01
Bill No.: HB 1675
Subject: Employees - Employers; Telecommunications
Type: Original
Date: February 15, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations**, **Department of Economic Development**, and the **Office of the State Courts Administrator** assume the proposed legislation would have no fiscal impact on their agencies.

Officials from the **University of Missouri (UM)** state they have non-compete provisions in some of their broadcast personal service contracts. UM notes determining the fiscal impact of the proposal is difficult.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small business will incur a policy impact however the fiscal impact should be zero. From a hiring perspective the proposal will have an unknown impact as small businesses may find it harder to retain employees while others may find it easier to employ prospective candidates.

DESCRIPTION

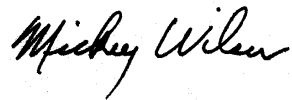
This proposal prohibits television and radio stations and networks from including non-compete clauses in their employment contracts. The proposal does not apply to sales and management employee contracts. In addition to damages, employers found in violation will be liable for attorney fees and costs.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

KLR:LR:OD (12/01)

SOURCES OF INFORMATION

Department of Labor and Industrial Relations
Department of Economic Development
Office of the State Courts Administrator
University of Missouri

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Acting Director

February 15, 2002